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C O N F I D E N T I A L SECTION 01 OF 03 SINGAPORE 002112

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FROM AMBASSADOR HERBOLD FOR UNDER SECRETARY BURNS

E.O. 12958: DECL: 12/01/2017

TAGS: [PREL](#) [PGOV](#) [PHUM](#) [ECON](#) [BM](#) [SN](#)

SUBJECT: SCENESETTER FOR UNDER SECRETARY BURNS' DECEMBER  
2-3 VISIT TO SINGAPORE

REF: SINGAPORE 2086

Classified By: Ambassador Patricia L. Herbold. Reasons 1.4(a)(b)(d)

¶1. (C) My team at Embassy Singapore and I greatly look forward to your December 2-3 visit. While the United States and Singapore are not allies, we enjoy a close military and economic relationship based on overlapping strategic views and substantial trade and investment ties. Singapore is a keen observer of regional developments and, as the current chairman of ASEAN, hosted the annual round of ASEAN-related summits in November. However, Singapore's unique status in Southeast Asia usually requires it to adapt to, rather than shape, regional dynamics. Your meetings with senior Singapore Government officials including Prime Minister Lee Hsien Loong, Minister Mentor Lee Kuan Yew, and Foreign Minister George Yeo offer an excellent opportunity to:

- stress the need for ASEAN members, individually and collectively, to send strong and consistent messages on the need for change in Burma;
- seek GOS views on regional developments and the ASEAN-related summits; and
- express thanks for GOS support in Iraq and Afghanistan.

Singapore, Burma and ASEAN  
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¶2. (C) Singapore is clearly fed up with the incompetence, brutality and insularity of the Burmese regime, but unconvinced that stepping up international pressure on the regime can actually bring about positive change in Burma. Singapore was a key driver of ASEAN's tough September 27 Chairman's statement on Burma and sought to have UN Special Advisor Ibrahim Gambari brief the East Asia Summit in Singapore on November 21 to focus attention on the issue. That plan collapsed when Burma, which had initially signaled to Singapore that it could accept a Gambari briefing, reversed course and rejected such a briefing (reftel). This brought back into play sharp underlying divisions between ASEAN's more developed members and its "newer" members (Vietnam, Laos, Cambodia, and Burma). While Singapore has sought to maintain a tough rhetorical stance, it does not support expelling Burma from ASEAN or imposing sanctions, which it believes would only further isolate the regime. While Singapore would be happy to see the end of Burma's ossified senior leadership, it also worries that a rapid transition that sidelined the military altogether could be highly destabilizing in light of Burma's ethnic divisions and

lack of alternative national institutions.

13. (C) The Burma issue overshadowed the November ASEAN-related summits in Singapore, which were to be a celebration of ASEAN's 40th anniversary and an opportunity to further develop the role of the East Asia Summit. With the signing of the ASEAN Charter and the ASEAN Economic Blueprint, which aims to establish a "single economic entity" by 2015, ASEAN is seeking to transform this highly diverse group of countries into a more cohesive and effective organization. Singapore sees this transformation as a strategic imperative in order for the small countries of Southeast Asia to maintain political and economic leverage relative to the region's growing powers. A more integrated ASEAN (collectively our fifth largest trading partner and fourth largest export market in 2006) would also benefit U.S. strategic and economic interests in Asia.

#### Partners, not Allies

14. (C) Our close bilateral cooperation with Singapore is founded on a convergence of views on key strategic issues and substantial trade and investment ties. Singapore, as a tiny, wealthy, predominantly ethnic-Chinese state surrounded by much larger, poorer, Malay/Muslim-majority neighbors, has an acute sense of vulnerability. It is also grappling with the economic and strategic impact of China's and India's reemergence on the world stage. Consequently, Singapore views a strong U.S. diplomatic, economic, and military presence in the region as essential to its own and the region's peace and prosperity.

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15. (C) Singapore is a valuable logistics hub for U.S. forces. President Bush and Prime Minister Lee Hsien Loong signed a bilateral "Strategic Framework Agreement" (SFA) in 2005, which updated our military access arrangements and enshrined a broader commitment to strategic cooperation. However, Singapore worries about being seen in its neighborhood as "too close" to the United States, and thus does not wish to be a treaty ally. Our military leases facilities here; there are "places, not bases" on the island. The GOS seeks greater interoperability with the U.S. military and prefers U.S. equipment and training for its small, highly trained military.

#### Economic Success and the FTA

16. (SBU) Singapore, with its commitment to free trade, attracting Foreign Direct Investment (FDI), and sound economic management, has enjoyed four decades of high growth, giving it a per capita GDP of approximately USD 30,000. Our bilateral economic ties are flourishing. The 2004 U.S.-Singapore Free Trade Agreement (FTA) has been a tremendous success, helping produce a nearly 50-percent growth in U.S. exports to Singapore and a USD 6.9 billion trade surplus (our fifth largest) in 2006. Some 1,500 U.S. companies operate here, and U.S. Foreign Direct Investment (FDI) in Singapore exceeds USD 60 billion.

#### Domestic Scene

17. (C) The People's Action Party (PAP) has held power in Singapore since 1959 and won another landslide victory at the polls in May 2006. While the PAP's hardball treatment of the opposition, gerrymandering, and tight media controls contributed to the magnitude of victory, there is no doubt the PAP enjoys broad public support based on its record of delivering security, prosperity, excellent services, and clean government.

18. (C) Minister Mentor Lee Kuan Yew (LKY), founding father

of modern Singapore, remains active and continues to inculcate younger ministers with his hard-nosed approach to promoting Singapore's interests, as he defines them. His continued prominence has made it difficult for his son, Prime Minister Lee Hsien Loong, to put his own stamp on the Singapore political system, however. Most observers agree that fundamental change toward a more democratic system is unlikely until the older generation of leaders passes from the scene, and even then is likely to occur slowly.

#### Foreign Policy - Focus on the Region

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¶9. (C) As a small, vulnerable state, Singapore seeks to leverage its ties with larger powers (in particular, the United States), to maintain friendly ties with everyone, and, as a longer-term project, to promote ASEAN integration. It is a keen and wary observer of developments in places that directly affect its interests -- defined traditionally as neighboring Southeast Asia and Northeast Asia, but increasingly to include South Asia and the Middle East. It claims special insights into China, though Singaporeans readily admit a growing cultural gap with the mainland. Singapore sees the rise of China and India as both a challenge and an opportunity for the smaller states of Southeast Asia.

#### Iraq and Afghanistan

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¶10. (C) Singapore continues to provide support for Coalition forces in Iraq, and GOS leaders have publicly stressed that failure in Iraq would have dire consequences for the region and beyond. Singapore's leaders are equally concerned about the "Arabization" of Southeast Asia's traditionally tolerant approach to Islam and the potential spread of Middle East-inspired radicalism here. In Afghanistan, Singapore provided modest humanitarian support in the context of a New Zealand-led Provincial Reconstruction Team (PRT) this year and has indicated it will expand those efforts next year.

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